

CHICHESTER COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE EXAMINATION

GENERAL ISSUES

Payments in Kind

15. Does the proposed policy of Payments in Kind in paragraphs 4.6-4.8 of the Draft Charging Schedule comply with national policy in the Planning Practice Guidance?

Response

15.1. National Policy says that:

“Where a charging authority chooses to adopt a policy of accepting infrastructure payments, they must publish a policy document which sets out conditions in detail. This document should confirm that the authority will accept infrastructure payments and set out the infrastructure projects, or types of infrastructure, they will consider accepting as payment (this list may be the same list provided for the purposes of Regulation 123).

Before a land payment agreement is entered into, relevant charging authorities must be satisfied that the criteria in [Regulation 73 \(as amended\)](#) are met. Similarly, before entering into an infrastructure payment agreement, they must be satisfied that the criteria in [Regulation 73A \(inserted by the 2014 Regulations\)](#) are met.

Where the levy is to be paid as land or infrastructure, a land or infrastructure agreement must be entered into before development commences. This must include the information specified in [Regulation 73A](#)”.

15.2. The Council’s policy is set out in the DCS at paragraphs 4.6 – 4.8 (reproduced in paragraph 15.5 below). These paragraphs confirm that the authority will accept land or provision of infrastructure (on or off-site) as payments in kind (PIK) and that these are for the same types of infrastructure as listed on the Council’s Regulation 123 list. The policy also states that PIK will be subject to negotiation with the Council and the value of the asset will be determined by the District Valuer (an independent person).

15.3. The Council believes that the PIK policy does comply with national policy as set out in the Planning Practice Guidance.

15.4. The Council can only anticipate a couple of examples where it might be desirable to accept a PIK. One such example is the provision of a new medical facility for the West of Chichester SDL. The Health Authority has confirmed they would like a new medical facility on this site to support not only the new development itself, but to serve the needs of the surrounding area. In which case, the Council may accept a PIK. Another example might be the provision of a site for a new secondary school.

15.5. PIK policy as set out in the DCS (DCS paragraphs 4.6 – 4.8)

There may be circumstances where it will be more desirable for a charging authority to receive land or provision of infrastructure (on or off-site) instead of monies. The regulations provide for charging authorities to accept transfers of land or provision of infrastructure as a payment in kind for the whole or part of the levy. This will be subject to negotiation with the Council and the value of land acquired as 'payment in kind' will be determined by the District Valuer (at the cost of the developer).

Payments in kind will normally only be considered for land or provision of infrastructure in excess of that needed to deliver the infrastructure required by the development (as identified in the Regulation 123 list). Where land is required within a development to provide built infrastructure to support that development it will be expected that land transfer will be at no cost to the Council and will not be accepted as a CIL payment in kind.

Transfers of land or provision of infrastructure as payment in kind in lieu of CIL will only take place in exceptional circumstances and is in addition to any transfer of land which may be required via section 106 agreements

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